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APR 0 7 2005

April 6, 2005

Federal Express Delivery

South Carolina Public Service Commission Saluda Building 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Re: SBC Telecom, Inc. and SBC Long Distance, Inc.

Joint Petition and Request for Expedited Action

Case No. 2004-359-C

Dear Sir or Madam:

1/1

Enclosed for filing on behalf of SBC Telecom, Inc. and SBC Long Distance, Inc., please find an original and eleven (11) copies of a Motion for Expedited Review, along with the attached verified testimony of Norman W. Descoteaux.

Please clock in a copy of this filing and return it in the enclosed, self-addressed stamped envelope. Thank you for your assistance.

Respectfully submitted,

HOLLAND & KNIGHT LLP

Eric Fishman, Esq.
Counsel to SBC Telecom, Inc. and SBC Long Distance, Inc.

cc: Judy Matthews Jocelyn Boyd

2750127_v1

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

Joint Petition for the Consent and Approval To Assign Certificate of Convenience and Necessity Providing Telecommunications Services to Customers Throughout the State Of South Carolina))) C	Case No. 2004-359-C			DE COMM	MISSION
MOTION FOR EX	PEDITED R	<u>EVIEW</u>	APR	0 7	200 5	

SBC Telecom, Inc. ("SBC Telecom") and its affiliate SBC Long SBC Long Distance (formerly known as Southwestern Bell Communications Services Inc. d/b/a SBC Long Distance) ("SBC Long Distance") hereby respectfully move for expedited review of their Joint Petition and Request for Expedited Action (the "Joint Petition"). As set forth in that filing, the parties seek the Commission's consent and approval for an internal corporate reorganization which contemplates (a) assignment of SBC Telecom's Certificate of Convenience to provide local exchange and interexchange from SBC Telecom to SBC Long Distance, (b) the transfer of SBC Telecom assets to SBC Long Distance, and (c) the conversion of SBC Long Distance to a limited liability company to be known as SBC Long Distance, LLC d/b/a SBC Long Distance. In support of this motion, the parties state the following:

- The parties submitted the Joint Petition on December 28, 2004. 1.
- In the Joint Petition, the parties expressly urged the Commission to approve their 2. internal corporation on an expedited basis, so as to allow the parties to consummate their transactions on or about March 31, 2005.
- By letter dated February 14, 2005, counsel to the parties advised the Commission 3. that, in order to allow adequate time to obtain any regulatory approval that may be required

relating to the internal corporate reorganization and name change, the parties had deferred the date of consummation for the internal corporate reorganization to *on or about April 30*, 2005.

- 4. The parties published notice of the filing of the Joint Petition in newspapers of general circulation, as required by the Commission. The deadline to intervene in this matter was April 4, 2005. No comments or petitions to intervene were filed in response to this notice.
- 5. SBC Telecom and SBC Long Distance are both wholly-owned subsidiaries of SBC Communications, Inc., a holding company whose subsidiaries whose subsidiaries and affiliates operate predominantly in the communications service industry and have provided telecommunications services for over 100 years. SBC is publicly traded on the New York Stock Exchange (Symbol: SBC) with a market capitalization of approximately \$84 billion.
- 6. Attached to this Motion is the Verified Testimony of Norman W. Descoteaux, Assistant Director Regulatory of SBC Long Distance. Mr. Descoteaux's testimony, and the information submitted in Joint Petition, demonstrate that approval of the Joint Petition will service the public interest.

WHEREFORE, SBC Telecom, Inc. and SBC Long Distance, Inc. respectfully request that the Commission waive a formal hearing on this matter, and that their Joint Petition be approved at the Commission's earliest convenience.

Respectfully submitted,

Eric Fishman, Esq.

HOLLAND & KNIGHT LLP 2099 Pennsylvania Avenue, NW Washington, DC 20005

(202) 828-1849

Attorney for

SBC Telecom, Inc. and

SBC Long Distance, Inc.

April 6, 2005 # 2747329_v1

BEFORE THE

PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

TESTIMONY OF NORMAN W. DESCOTEAUX

ON BEHALF OF SBC LONG DISTANCE, INC.

CASE NO. 2004-359-C

Q. WILL YOU PLEASE STATE YOUR NAME AND ADDRESS?

- A. My name is Norman W. Descoteaux. My business address is 5850 W. Las Positas Boulevard, Pleasanton, California 94588.
- O. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
- A. I am employed by SBC Long Distance, Inc. as Associate Director Regulatory.
- Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND YOUR EXPERIENCE IN THE TELEPHONE INDUSTRY.
- A. I received a Bachelor of Science Degree in Business from San Jose State University in 1976 and a Law Degree from Santa Clara University in 1996. I began working for Pacific Telephone in 1982 and have been continually employed by Pacific Telephone, Pacific Bell and SBC Long Distance, Inc. since then. During this time, I have held various management positions in sales, marketing and regulatory. I have been with SBC Long Distance, Inc. regulatory for the past five and a half years.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to provide a brief overview and explanation of the Joint Petition and Request for Expedited Action of SBC Long Distance, Inc. and SBC Telecom, Inc. relating to their proposed internal corporate reorganization.

- Q. PLEASE DESCRIBE THE PROPOSED INTERNAL CORPORATE REORGANIZATION OF SBC LONG DISTANCE, INC. AND SBC TELECOM, INC.
- A. SBC Long Distance, Inc. and SBC Telecom, Inc. are both wholly-owned subsidiaries of SBC Communications, Inc. ("SBC"), a holding company whose subsidiaries and affiliates operate predominantly in the communications service industry and have provided telecommunications service for over 100 years. SBC is publicly traded on the New York Stock Exchange (Symbol: SBC) with a market capitalization of approximately \$84 billion.

Both SBC Telecom, Inc. and SBC Long Distance, Inc. are certificated to provide telecommunications services in the State of South Carolina. SBC Telecom, Inc. was issued a Certificate of Convenience and Necessity by the Commission on May 23, 2000 to provide resold and facilities-based interexchange and local exchange telecommunications services. SBC Long Distance, Inc. was issued a Certificate of Convenience and Necessity by the Commission on January 26, 1998 to provide resold interexchange telecommunications service, and a Certificate of Convenience and Necessity to provide facilities-based and resold local exchange telecommunications service on June 30, 2004.

Pursuant to a plan of internal reorganization: (a) SBC Long Distance, Inc. will become a wholly owned subsidiary of SBC Telecom, Inc.; (b) SBC Long Distance, Inc. will convert to a limited liability company to be known as SBC Long Distance, LLC; and (c) SBC Telecom, Inc. will transfer its assets and liabilities to SBC Long Distance, LLC. Following the proposed internal corporate reorganization, SBC Long Distance, LLC will

remain a wholly owned subsidiary of SBC, which will control SBC Long Distance, LLC through two intermediary, wholly owned subsidiaries – *i.e.*, SBC Teleholdings, Inc. (wholly owned by SBC) and SBC Telecom, Inc. (wholly owned by SBC Teleholdings, Inc.). The direct parent of SBC Long Distance, LLC following the reorganization will be SBC Telecom, Inc.

- Q. HAS SBC LONG DISTANCE, INC. EVER BEEN DENIED CERTIFICATION IN ANY STATE OR IS IT CURRENTLY THE SUBJECT OF A FORMAL SHOW CAUSE, CEASE AND DESIST, OR OTHER SIMILAR STATE OR FEDERAL PROCEEDING?
- A. No.
- Q. WHAT POSITIVE BENEFITS WOULD FLOW TO THE PUBLIC IN SOUTH CAROLINA FROM COMMISSION APPROVAL OF THE INTERNAL CORPORATE REORGANIZATION?
- A. The SBC companies believe that approval of the above-described internal corporate reorganization will serve the public interest because it will permit a more efficient means of providing telecommunications service to customers in South Carolina. The proposed internal corporate reorganization will not alter the service which customers receive, or result in any rate increase. SBC Long Distance, Inc. understands that it is bound to follow all rules and regulations of the Commission, and accepts as its own all requirements imposed upon SBC Telecom, Inc. as a result of its original Certificate of Convenience and Necessity.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

VERIFICATION

State of California

County of Alameda, ss.

Norman W. Descoteaux, Associate Director – Regulatory of SBC Long Distance, Inc. (formerly known as Southwestern Bell Communications Services, Inc. d/b/a SBC Long Distance), being duly sworn, deposes and states that he has read the foregoing pre-filed testimony and knows the contents thereof, and that said contents are true.

Norman W. Descoteaux

Subscribed and sworn before me on this 6^{th} day of April, 2005, by Norman W. Descoteaux, and personally known to me.

Taken, sworn to, and subscribed before me this foth day of April, 2005.

Notary Public in and for said County

My commission expires on: